

# STATE WORKFORCE INVESTMENT BOARD

RED LION COLONIAL HOTEL, HELENA  
AUGUST 30, 2005

**BOARD MEMBERS PRESENT:** Dan Miles, Chair, John Beaudry, Shirley Ball, Thomas Curry, Michael DesRosier, Michael Grove, Kirk Hammerquist, Robbe Lindsey, Jacquie Helt, Teresa Wall-McDonald, Jody Messinger, Michael O'Neill, Arlene Parisot, John Prinkki, Gail Richardson, Jeff Rupp, Fred Sargerson, Alan Skari, Karen Sullivan, Don Taylor, Evan Barrett, Keith Kelly, Tony Preite, Joe Mathews for Joan Miles, Llew Jones, Arlene Becker, Gary Perry, and Lane Larson.

**BOARD MEMBERS ABSENT:** Martina Copps, Dave Crum, Julie Jordan, Maureen Kenneally, Rodney Miller, Linda Woods and Joan Miles.

**STAFF:** Pam Watson, Penney Clark

**GUESTS:** Ingrid Childress, Sue Mohr, Connie Kinsey, Leslie Duffy, Gary Warren, Gary Wright, Dore Schwinden, Vivian Hammill, Kathy Yankoff, Jim Keane, Jim McGarvey.

## **I. Call to Order**

Chairman Dan Miles called the meeting to order at 3:00 PM.

## **II. Roll Call and Introduction of Board Members, Approval of Agenda**

Chairman Dan Miles introduced each board member as roll call was taken. Staff was also introduced. He announced the meeting would be conducted according to Roberts Rules of Order. A motion was made and seconded to approve the agenda. The motion passed unanimously.

## **III. Housekeeping Issues**

Pam Watson reviewed the forms in the packets provided to the board members. Each board member must fill out the board member information form and the travel form and return them to Ms. Watson. The Conflict of Interest policy was also reviewed and the process of abstaining from voting was explained.

## **IV. Old Business**

Department of Labor Commissioner, Keith Kelly, reviewed the findings from a US Department of Labor (USDOL) federal monitoring review and discussed the issues that need to be addressed by the board. A copy of the audit findings and a recent newspaper article was distributed to the board and guests. Commissioner Kelly explained that a response from his Department to the USDOL was due by September 7. Tony Preite clarified that the audit issues concerning the Department of Commerce have been resolved. Commissioner Kelly explained that the USDOL feels there is a need for the Montana Department of Labor to conduct a file-by-file audit of the MJTP files, and outlined how funds are passed through the Montana Department of Labor to MJTP and on to the

local boards. The Board had a discussion on the audit findings and the response that is due by September 7, including possible resolutions.

Mr. Barrett attempted to propose a motion. Representative Jim Keane, an audience member, interrupted the motion and stated that the motion was unfair to MJTP and that as a legislator, he considered that a personal affront.

Chairman Miles announced the board follows Roberts Rules of Order and that it was his intention that there would be a motion, then discussion among the Board. After board discussion, the agenda item would be open for public comment. At that time those in the audience could provide comment. The board would have further discussion if necessary, and then vote.

He also noted that the 7<sup>th</sup> of September was just around the corner and he sees one of the Board's responsibilities is to give the Department and staff some direction as to where the board would like to see them proceed. He stated he would entertain a motion. Mr. Keane stated that MJTP had been accused of something and now the board wants to take action on it. He stated it was unfair to not ask for public comment. Chair Miles again stated there would be time allotted for public comment prior to action by the board.

Mr. Barrett explained that by making a motion, he puts a subject on the floor for discussion. Following board discussion, public comment would be heard, and then action could be taken on the motion. This procedure allows something specific to be discussed. He stated he believes that is the proper procedure.

Chairman Miles reported he had a copy of the rules of order, and that since the board is not making a decision prior to asking for public comment, this structure is acceptable. He reiterated that there would be a motion made, board discussion, then public comment, further board discussion, and then a vote.

Mr. Barrett recognized Haley Beaudry, the former chair of the State Workforce Investment Board and thanked him for his previous contributions to the Board and his leadership during the transition period.

Mr. Barrett reiterated the importance of the audit findings and reminded the Board of the Governor's message from the Labor Day Report to move forward and bring this matter to a conclusion so that it does not interfere with the delivery of services to the folks that need the services, the people of the state of Montana. Mr. Barrett moved that the state Board instruct the commissioner and staff to respond to the audit in an expeditious manner by September 7, to pursue appropriate remedies as needed to bring the matter to a closure as soon as possible and provide the board with updates on the progress so that the board, can keep the Governor up to date on the successful resolution of all these findings. Mr. Barrett made a four-point motion to instruct the commissioner and board staff to respond to the audit expeditiously, to pursue appropriate remedies, to provide updates and to keep the Governor updated on the successful resolution. The motion was seconded. There was additional discussion and clarification among the board members. Chairman Miles then called for public comment.

Sue Mohr, MJTP, stated that she has concerns about board responsibilities. Ms. Mohr explained that she shares the concerns of the administration on the findings and agrees that the matter needs to be resolved as soon as possible. MJTP hired a professional auditing firm to help with the audit issues because this is such a highly technical matter. Ms. Mohr urged the board to see that Montana takes control of resolution of this issue and not involve the USDOL.

Haley Beaudry, former chair of the State Workforce Investment Board, urged the board to be sure that funds get to the end users and spoke about the need to resolve this issue quickly so that the needs of the end users of these funds could be met. There was no other public comment.

There was additional board discussion to clarify the motion. Karen Sullivan asked for some background information. A copy of the federal review will be provided to the board members. Chairman Miles called for the question. The motion passed unanimously. Joe Mathews (representing Joan Miles of DPHHS) and Jeff Rupp abstained from the vote. The motion passed unanimously.

#### **V. Governor's Message to SWIB and First Steps**

Chairman Miles reviewed the message the Governor gave the Board during his Labor Day Report. The four points the Governor emphasized during the report were (1) Ensure accountability for how the funds are spent; (2) Promote local input and involvement; (3) Improve efficiency and get more money on the ground by reducing excessive bureaucratic layering, and; (4) Get the dollars to the people that need it the most.

Chairman Miles opened the meeting to comments or suggestion from anyone on the Board as to how these things could be accomplished. Evan Barrett distributed to the Board copies of maps together with a copy of a letter and white paper prepared by American Community Partnership for the Governor's Office of Economic Opportunity. The white paper makes recommendations for corrective action and addressed the advantages of a single statewide planning area. Mr. Barrett spoke about the importance of training and having a properly trained, skilled workforce. Employers have indicated that this is the biggest obstacle that they face.

The board was given a brief period of time to review the white paper. Chairman Miles turned the meeting over to Mr. Barrett for discussion of the points contained in the document. Mr. Barrett explained that the purpose of the white paper was to try to delineate a structure that could help meet the objectives that the Governor outlined earlier, by moving Montana to a single statewide planning area for workforce development. Mr. Barrett spoke about the current structure and about the decreasing funds available to operate the program. The consultant recommended using a system similar to those used by the states surrounding Montana. Mr. Barrett also discussed the distribution of funds and how the use of a single planning area would increase the amount that could be spent on service delivery, in addition to the steps necessary to allow Montana to implement a single planning area.

Mr. Barrett answered questions posed by the Board members. Board members discussed the issue, and one suggestion was to have the Commissioner and staff analyze the white paper and report back to the board at the next meeting. A suggestion was made that the

board wait until after the MACo meeting in late September to make a decision regarding the change in structure. Some board members indicated they were uncomfortable with making such a quick decision, and the need to make a decision in order to comply with the Governor's request was discussed.

Jody Messinger stated that she would like to propose a motion to move toward a more efficient system, but asked for help in how to word the motion. After board discussion and input, Ms. Messinger moved to seek a waiver from the USDOL which would permit Montana to move to a single planning area structure and ask SWIB staff to modify the state plan, allow at least a two week comment period and then hold another board meeting for a final vote. The motion was seconded.

The Chair called for public comment. Sue Mohr, MJTP, spoke to the Board about the ramifications of doing away with the current system, how the current system came about and how there are many states that still operate under the same system that Montana currently has. She stated that there were other ways to resolve the issues and that there needed to be better communication between the parties involved.

There was no other public comment. After brief discussion, Chairman Miles called for the question. Joe Mathews, on behalf of Joan Miles of DPHHS, abstained. The motion passed unanimously.

#### **VI. Next Meeting Dates and Training**

Ms. Watson will prepare a modification to the 2-Year State Plan and post it by Friday, September 2, 2005. The comment period will extend until September 16 and a meeting will be scheduled for the following week. Ms. Watson will coordinate a date and notify the board members. A two-day training session for the new board members will be scheduled in October.

#### **VIII. Adjournment**

Meeting adjourned at 6:50 PM.

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Dan Miles, Chairman

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Date